GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:3684
ANSWERED ON:02.12.2010
SETTLEMENT BETWEEN ONGC AND CLOUGH ENGINEERING LTD. AUSTRALIA
Venugopal Shri P.

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the details of settlement reached between Oil and Natural Gas Corporation and Clough Engineenng Limited, Australia for the project terminated at G-1 and G-15 Field Development Project and Amalapuram, Andhra Pradesh;

(b) whether ONGC has agreed to make direct payments to sub-contractors or sub-vendors of sub-contractors of Clough Engineering Limited;

(c) if so, the details thereof;

(d) whether Oil and Natural Gas Corporation has the details of all sub-contractors or sub-vendors of Clough Engineering Limited and the pending payments due to them;and

(e) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a): Terms of settlement reached between Oil and Natural Gas Corporation Limited (ONGC) and Clough Engineering Limited (CEL), Australia, for G-1 & G-15 field development project are as under:

i. CEL shall hand over to ONGC all the project documentation, verification and transfer documents.

ii. CEL shall permit ONGC to take possession of all the material, equipment and services associated with the project,

iii. ONGC shall pay to CEL, the settlement sum after deducting withholding tax.

(b) & (c); ONGC agreed to make balance payments only to vendors, subÂ¬contractors of M/s CEL as per the list submitted by CEL in line with the settlement agreement and not to sub-vendors of sub-contractors.

(d) & (e): M/s CEL has provided the details of vendors / sub-contractors to ONGC. However, delivery of equipments by Vendors and Sub-Contractors for completion of the project is yet to be done.